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7	UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF WASHINGTON		
8	EASTERN DISTRIC		
9	In re:	Case No. 18-03197 FPC 11	
10	GIGA WATT, Inc., a Washington corporation,	The Honorable Frederick P. Corbit	
11	corporation,	Chapter 11	
12	Debtor.	DECLARATION OF MARK D.	
13		WALDRON IN SUPPORT OF CHAPTER 11 TRUSTEE'S MOTION	
14 15		FOR ORDER APPROVING (I) SALES OF VEHICLES, (II) SHORTENED NOTICE AND (III)	
16		LIMITED NOTICE	
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23			
24	Declaration of Mark D. Waldron in Support of Chapter 11 Trustee's Motion for Order Approving (i) Sales of Vehicles, (ii) Shortened Notice and (iii) Limited Notice		
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I, Mark D. Waldron, declare as follows:

- 1. I submit this declaration in my capacity as the duly-appointed
 Chapter 11 Trustee in the bankruptcy case of the above-captioned debtor (the
 "Debtor" or Giga Watt") and in support of the Chapter 11 Trustee's Motion for
 Order Approving (i) Sales of Vehicles, (ii) Shortened Notice Thereof, and (iii)
 Limited Notice Thereof (the "Motion") and supporting memorandum, which I
 have read and approved. The statements set forth herein are based on my
 investigation of the Debtor's affairs, which is ongoing, and, except where
 otherwise noted, are based on personal knowledge. If called as a witness, I would
 and could competently testify thereto.
- 2. Unless other defined herein, capitalized terms have the meanings ascribed to them in the Motion or supporting memorandum, as applicable.
- 3. Subject to Court approval, I have accepted offers to purchase (i) a Ford box truck (the "Box Truck") to David Knowles ("Knowles") for a purchase price of \$3,000 and (ii) a 2004 Chevrolet Avalanche (the "Avalanche") to Skyler Simpson ("Simpson") for a purchase price of \$3,000. The Box Truck and the Avalanche are referred to herein collectively as the "Vehicles." The sales are at times referred to herein as the "Sales." The aggregate price for the two vehicles is \$6,000.

The Box Truck and Proposed Purchaser

4. The Box Truck requires substantial mechanical repairs. The buyer will have to tow the Box Truck to the nearest mechanic's shop for work. The tow truck will have to be heavy duty because the Box Truck is large. The high Declaration of Mark D. Waldron in Support of Chapter 11 Trustee's Motion for Order Approving (i) Sales of Vehicles, etc. - Page 1

pressure oil pump, which drives the truck's injection system, needs replacement at
an estimated cost of \$1,200. This estimate does not include labor or other related
materials, such as gaskets and seals. The mating surface associated with the oil
pump is in bad condition. The entire engine block may have to be pulled to
perform necessary repairs. It is probable that other parts need to be replaced or
fixed.

- 5. The Box Truck is parked at the Pangborn Site. A heavy-duty tow truck is required to move the Box Truck. The buyer will hire the tow truck.
- 6. The Box Truck will be sold "As Is" with no warranty of any kind other than title. Knowles was formerly employed by the estate as a laborer at the Debtor's facilities in Moses Lake, Washington and East Wenatchee, Washington.

The Avalanche and Proposed Purchaser

- 7. The Avalanche has been driven approximately 142,500 miles. Both window motors are shot. The ignition and tires need to be replaced. The estimated cost of these repairs exceeds \$1,000.
- 8. The Avalanche is located at the estate's facility in East Wenatchee, Washington. It will be sold "As Is" with no warranty of any kind other than title. The Avalanche's buyer, Simpson, has stated that upon transfer of title, he will drive the Avalanche away. Simpson was formerly employed by the estate as a laborer at the estate's facilities in Moses Lake, Washington and East Wenatchee, Washington.

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Title to the Vehicles

9. Title to both the Box Truck and the Avalanche are in the name of Giga Watt, Inc. I am in possession of the titles to both Vehicles. My paralegal working under my supervision searched the public record and found no party who asserts any interest in the Vehicles.

Cost and Value

- 10. I have maintained insurance on the Vehicles because the estate's team on the ground needed to move equipment between locations. That need has largely ended. Further, the insurance costs approximately \$1,900 per year and is set to expire on May 22, 2020. Now that the estate no longer needs the Vehicles, I would like to sell them, collect \$6,000 for the estate's benefit and cancel the automobile insurance.
- 11. Before accepting the offers for the Vehicles, subject to Court approval, I consulted with one auctioneer who is approved by the U.S. Trustee's Office regarding the Vehicles and their value. I also consulted with an automobile dealer regarding the Vehicles and their value. Based on these consultations, and the lack of any other offers, I determined that the offers submitted by Knowles and Simpson were fair market value offers.
- 12. The Sales were negotiated at arm's length. I negotiated with both parties regarding the price. I am motivated to enter into the Sales in order to benefit the estate both by monetizing the Vehicles and eliminating the expense of car insurance.

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1 **Shortened Notice** 2 13. I am required by the Order Granting Relief from Automatic Stay, Abandonment of Property of the Estate and Denying Waiver of FRBP 4001(a)(3), 3 dated March 23, 2020 [ECF 515] to remove equipment from the Pangborn Site by 4 5 May 7, 2020. The Box Truck is parked at the Pangborn Site. I am using best 6 efforts to remove as much estate property as possible from the Pangborn Site – 7 such as the Box Truck – by May 7, 2020. 8 14. Second, insurance on the Vehicles expires on May 22, 2020. 9 15. Finally, the Avalanche, described in the Motion, is located at the 10 Debtor's facility known as the TNT Facility. I am in the last stages of negotiations 11 to sell the TNT Facility and would like to have the Avalanche sold and removed before that before sale closes. 12 **Limited Notice** 13 14 16. I have caused the Notice to be served on (i) the U.S. Trustee's Office, 15 (ii) counsel for the Official Committee of Unsecured Creditors, (iii) all parties receiving ECF notice, including the Port and active parties in the case, and (iv) the 17 20 largest creditors as designated on the Debtor's schedules (the "Limited Notice 18 Parties"). 19 17. The expense of serving the entire master mailing list is 20 disproportionate to the proposed Sales' price of \$6,000 in the aggregate. Further, 21 by serving the Limited Notice Parties, I am reaching all those who would, I 22 reasonably believe, have any objection to the Motion. 23 Declaration of Mark D. Waldron in Support of Chapter 11 Trustee's Motion for 24 Order Approving (i) Sales of Vehicles, etc. - Page 4

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To the best of my knowledge, I declare under penalty of perjury that the foregoing is true and correct. Executed this $2\frac{\mu}{2}$ day of April 2020 in Tacoma, Washington. Mark D. Waldron, in his official capacity as Chapter 11 Trustee Declaration of Mark D. Waldron in Support of Chapter 11 Trustee's Motion for Order Approving (i) Sales of Vehicles, etc. - Page 5

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